

Department of Social and Health Services

DP Code/Title: M2-8E Interagency Rate Changes

Agency Wide

There are 12 Programs in this DP

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

**Recommendation Summary Text:**

**Program(s): 010 020 030 040 050 060 070 080 100 110**

This step requests funding to reflect the Department of Personnel's (DOP) projected budget rate of .7 percent (.007) per year for personnel services charges on the agencies' classified salary base.

**Program(s): 145**

This step requests covering additional biennial campus and incoming mail expenses newly projected by Consolidated Mail Services (CMS) for the 2003-05 Biennium. This additional cost is the result of increased incoming/campus mail volume occurring in the 2001-03 Biennium.

**Program(s): 150**

This step requests funding to reflect the Department of Personnel's (DOP) projected budget rate of .7 percent (.007) per year for personnel services charges on the agencies' classified salary base.

**Fiscal Detail:**

**Operating Expenditures**

	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	1,139,000	1,139,000	2,278,000
001-2 General Fund - Basic Account-Federal	76,000	76,000	152,000
001-7 General Fund - Basic Account-Private/Local	37,000	37,000	74,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	141,000	141,000	282,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	393,000	393,000	786,000
001-D General Fund - Basic Account-TANF (DSHS)	42,000	42,000	84,000
760-1 Health Services Account-State	4,000	4,000	8,000
<b>Total Cost</b>	<b>1,832,000</b>	<b>1,832,000</b>	<b>3,664,000</b>

**Staffing**

**Package Description:**

**Program(s): 010 020 030 040 050 060 070 080 100 110**

DOP receives its funding from the agencies it supports. These funds are paid to DOP for services related to the recruitment, training, promotion, transfer, compensation, labor relations, or removal of state employees. This step funds the difference of .25 percent (.0025) from the current budget rate of .454 percent (.0045) to the .7 percent (.007) rate referenced in the Office of Financial Management (OFM) Instructions.

**Program(s): 145**

Consolidated Mail Services (CMS) charges agencies for incoming/campus mail services based on projected volume of mail measured biannually. Annual mail volumes for the Department of Social and Health Services (DSHS) during the 2001-03 Biennium equated to \$530,431 per fiscal year. During the biennium, DSHS' volume of incoming mail increased. CMS now projects (even with a 1 percent rate reduction) that DSHS' volume for Fiscal Years 2004 and 2005 will result in annual expense of \$562,878. This represents a \$32,447 annual shortfall from the previous biennium.

**Program(s): 150**

DOP receives its funding from the agencies it supports. These funds are paid to DOP for services related to the recruitment, training, promotion, transfer, compensation, labor relations, or removal of state employees. This step funds the difference of .25 percent (.0025) from the current budget rate of .454 percent (.0045) to the .7 percent (.007) rate referenced in the Office of Financial Management (OFM) Instructions.

**Narrative Justification and Impact Statement**

*How contributes to strategic plan:*

Department of Social and Health Services

**DP Code/Title: M2-8E Interagency Rate Changes**

**Agency Wide**

There are 12 Programs in this DP

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

**Program(s): 010 020 030 040 050 060 070 080 100 110**

This decision package meets the agency balanced scorecard goal of: 1) Accounting for the wise use of public dollars; 2) Recruiting and supporting a knowledgeable, diverse workforce; 3) Providing continuous skill and leadership development.

**Program(s): 145**

The DSHS strategic plan and balanced scorecard center on improving business practices, partnering with our customers and clients, ensuring a safe environment for staff and clients, and efficiently communicating information.

**Program(s): 150**

This decision package meets the agency balanced scorecard goal of: 1) Accounting for the wise use of public dollars; 2) Recruiting and supporting a knowledgeable, diverse workforce; 3) Providing continuous skill and leadership development.

*Performance Measure Detail*

**Goal: 01Z DSHS Accounts for Its Use of Public Dollars**

Incremental Changes

FY 1

FY 2

No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package  
No measures submitted for package

**Goal: 03Z Recruit and Support a Knowledgeable, Diverse Workforce**

Incremental Changes

FY 1

FY 2

No measures submitted for package  
No measures submitted for package

**Goal: 05Z Provide Continuous Skill and Leadership Development**

Incremental Changes

FY 1

FY 2

No measures submitted for package

**Program: 070**

**Goal: 04G Protect vulnerable adults, children and families.**

Incremental Changes

FY 1

FY 2

No measures submitted for package

**Goal: 05G Break down barriers to self-sufficiency.**

Incremental Changes

FY 1

FY 2

No measures submitted for package

**Goal: 06G Assure public safety and help build strong, healthy communities.**

Incremental Changes

FY 1

FY 2

No measures submitted for package

**Goal: 07G Reduce and prevent misuse and improve lives through preventative action**

Incremental Changes

FY 1

FY 2

No measures submitted for package

**Goal: 08G Honor diversity and promote equal access and opportunity.**

Incremental Changes

FY 1

FY 2

Department of Social and Health Services

**DP Code/Title: M2-8E Interagency Rate Changes**

**Agency Wide**

There are 12 Programs in this DP

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

No measures submitted for package

**Goal: 09G Promote accountability and public stewardship in policy, programs, and practice**

Incremental Changes

FY 1

FY 2

No measures submitted for package

**Program: 110**

**Goal: 08K Continue to creatively improve business processes**

Incremental Changes

FY 1

FY 2

No measures submitted for package

No measures submitted for package

***Reason for change:***

**Program(s): 010 020 030 040 050 060 070 080 100 110**

Agencies were instructed to budget for personnel services at .7 percent (.007) in the OFM 2003-05 Operating Budget Instructions (Appendix A-5, page 111).

**Program(s): 145**

CMS projections for Fiscal Years 2004 and 2005 indicate increased incoming mail volumes to DSHS. These costs are based on increases in mail volume surveys conducted biannually.

**Program(s): 150**

Agencies were instructed to budget for personnel services at .7 percent (.007) in the OFM 2003-05 Operating Budget Instructions (Appendix A-5, page 111).

***Impact on clients and services:***

**Program(s): 010 020 030 040 050 060 070 080 100 110 145 150**

This funding will allow the department to maintain the current level of service.

***Impact on other state programs:***

**Program(s): 010 020 030 040 050 060 070 080 100 110 145 150**

All programs in DSHS are impacted.

***Relationship to capital budget:***

**Program(s): 010 020 030 040 050 060 070 080 100 110 145 150**

None

***Required changes to existing RCW, WAC, contract, or plan:***

**Program(s): 010 020 030 040 050 060 070 080 100 110 145 150**

None

***Alternatives explored by agency:***

**Program(s): 010 020 030 040 050 060 070 080 100 110**

This decision package is in response to instructions from OFM.

**Program(s): 145**

Working with CMS in handling our incoming and campus mail is the most efficient method for DSHS. The United States Postal Service assigned code 98504 exclusively for the Olympia area state services. This leaves the initial agency-level sortation of this mail to CMS. No other alternatives have been explored.

**Program(s): 150**

This decision package is in response to instructions from OFM.

***Budget impacts in future biennia:***

**Program(s): 010 020 030 040 050 060 070 080 100 110 145 150**

The cost of Personnel Services will continue to impact future biennia at the funded rate.

Department of Social and Health Services

**DP Code/Title: M2-8E Interagency Rate Changes**

**Agency Wide**

There are 12 Programs in this DP

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

***Distinction between one-time and ongoing costs:***

**Program(s): 010 020 030 040 050 060 070 080 100 110 145 150**

This is an ongoing cost.

***Effects of non-funding:***

**Program(s): 010 020 030 040 050 060 070 080 100 110**

Personnel Services costs are a part of operating state government. If not approved, funds will have to be diverted from other programs or services to cover the increased costs.

**Program(s): 145**

Without these funds, DSHS' incoming and campus mail delivery would likely be curtailed.

**Program(s): 150**

Personnel Services costs are a part of operating state government. If not approved, funds will have to be diverted from other programs or services to cover the increased costs.

***Expenditure Calculations and Assumptions:***

**Program(s): 010 020 030 040 050 060 070 080 100 110**

Estimated Fiscal Year 2002 expenditures for Object AA are used as the base for calculating the Fiscal Year 2004 and Fiscal Year 2005 increase for this step.

See attachment - AW M2-8E Interagency Rate Changes.xls

**Program(s): 145**

The following cost estimates were based on figures projected by CMS.

Source of Funds (Biennium Totals):

Federal	State	TOTAL
15,000	49,000	64,000

Object Detail (State Fiscal Year): EK Facilities and Services

FY2004	FY2005	TOTAL
32,000	32,000	64,000

**Program(s): 150**

Estimated Fiscal Year 2002 expenditures for Object AA are used as the base for calculating the Fiscal Year 2004 and Fiscal Year 2005 increase for this step.

See attachment - AW M2-8E Interagency Rate Changes.xls

**Object Detail**

**Overall Funding**

	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
E Goods And Services	1,736,570	1,736,570	3,473,140
T Intra-Agency Reimbursements	95,430	95,430	190,860

<b>Total Objects</b>	<b>1,832,000</b>	<b>1,832,000</b>	<b>3,664,000</b>
----------------------	------------------	------------------	------------------

Department of Social and Health Services

DP Code/Title: M2-8E Interagency Rate Changes

Agency Wide

There are 12 Programs in this DP

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

**DSHS Source Code Detail**

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	1,139,000	1,139,000	2,278,000
<i>Total for Fund 001-1</i>		<b>1,139,000</b>	<b>1,139,000</b>	<b>2,278,000</b>
<b>Fund 001-2, General Fund - Basic Account-Federal</b>				
<u>Sources</u>	<u>Title</u>			
001B	Social Security Disability Ins (100%)	26,000	26,000	52,000
566B	Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	4,000	4,000	8,000
767H	Children's Health Ins Prog (CHIP)	1,000	1,000	2,000
E61L	Food Stamp Program (50%)	45,000	45,000	90,000
<i>Total for Fund 001-2</i>		<b>76,000</b>	<b>76,000</b>	<b>152,000</b>
<b>Fund 001-7, General Fund - Basic Account-Private/Local</b>				
<u>Sources</u>	<u>Title</u>			
5417	Contributions & Grants	37,000	37,000	74,000
<i>Total for Fund 001-7</i>		<b>37,000</b>	<b>37,000</b>	<b>74,000</b>
<b>Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi</b>				
<u>Sources</u>	<u>Title</u>			
563I	Title IV-D Child Support Enforcement (A) (66%)	96,000	96,000	192,000
658L	Title IV-E-Foster Care (50%)	45,000	45,000	90,000
<i>Total for Fund 001-A</i>		<b>141,000</b>	<b>141,000</b>	<b>282,000</b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	185,000	185,000	370,000
19UD	Title XIX Admin (90%)	3,000	3,000	6,000
19UG	Title XIX Admin (75%)	19,000	19,000	38,000
19UL	Title XIX Admin (50%)	186,000	186,000	372,000
<i>Total for Fund 001-C</i>		<b>393,000</b>	<b>393,000</b>	<b>786,000</b>
<b>Fund 001-D, General Fund - Basic Account-TANF (DSHS)</b>				
<u>Sources</u>	<u>Title</u>			
558B	Temp Assist for Needy Families (TANF) (100%)	42,000	42,000	84,000
<i>Total for Fund 001-D</i>		<b>42,000</b>	<b>42,000</b>	<b>84,000</b>
<b>Fund 760-1, Health Services Account-State</b>				
<u>Sources</u>	<u>Title</u>			
7601	Health Services Account	4,000	4,000	8,000
<i>Total for Fund 760-1</i>		<b>4,000</b>	<b>4,000</b>	<b>8,000</b>
<b>Total Overall Funding</b>		<b>1,832,000</b>	<b>1,832,000</b>	<b>3,664,000</b>

State of Washington  
**Decision Package**  
**Department of Social and Health Services**

**FINAL**

**DP Code/Title: M2-8E Interagency Rate Changes**

**Agency Wide**

There are 12 Programs in this DP

Budget Period: 2003-05    Version: 11    2003-05 Agency Request Budget

**Funding Totals by Program**

Dollars in Thousands

<b><u>Program</u></b>	<b>FTE's</b>		<b>GF-State</b>		<b>Total Funds</b>	
	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>
010 Children's Administration	0.0	0.0	180	180	246	246
020 Juvenile Rehabilitatn Admin	0.0	0.0	116	116	116	116
030 Mental Health	0.0	0.0	229	229	307	307
040 Div of Developmntl Disab	0.0	0.0	158	158	304	304
050 Long Term Care Services	0.0	0.0	62	62	127	127
060 Economic Services Admin	0.0	0.0	250	250	483	483
070 Div of Alc/Substnce Abuse	0.0	0.0	10	10	12	12
080 Medical Assistance	0.0	0.0	25	25	96	96
100 Vocational Rehabilitation	0.0	0.0	34	34	34	34
110 Admin & Supporting Svcs	0.0	0.0	52	52	75	75
145 Payment to Other Agencies	0.0	0.0	23	23	32	32
150 Info SYS Svcs Div	0.0	0.0	0	0	0	0
<b>Grand Total:</b>	<b>0.0</b>	<b>0.0</b>	<b>1,139</b>	<b>1,139</b>	<b>1,832</b>	<b>1,832</b>